

Tasking Memorandum No 99-298

Memorandum For Commanders DCMDs, DCMC Contract Administration Officers (CAOs)

Subject: DoD Mentor-Protégé Program (Tasking)

Date: September 9, 1999

Suspense Date: June 30, 2000

Target Audience: Commanders DCMDs, DCMC CAOs, Administrative Contracting Officers (ACOs), Price/Cost Analysts, Assistant Directors of Small Business, Industrial Specialists

New Information/Guidance Tools:

- The 1998 annual Mentor-Protégé performance reviews conducted by DCMC for OSD Office of Small and Disadvantage Business Utilization (SADBU) provided valuable on-site information about the mentor-protégé relationships, assisted in assessing the success of the program and contributed to adjustments in program management. The OSD SADBU has again requested DCMC assistance to review all agreements that were active during any part of FY '99; see attached. These review requirements include agreements where DCMC does not have administrative cognizance. We will be compensated by the OSD SADBU for doing these reviews. See attachment 1 to OSD memorandum for a listing of agreements, sorted by state. During the fiscal year, the OSD SADBU may request that certain agreements be added or deleted to the review schedule.
- The scope of DCMC's performance review is to ascertain (1) whether all costs reimbursed to the mentor firms under the agreements were reasonably incurred to furnish assistance to the protégé firms in accordance with the mentor-protégé agreement and applicable guidance and regulations and (2) whether the mentor firms and protégé firms accurately reported progress made by the protégé firms in employment, revenues, and participation in DoD contracts during the term covered by the mentor-protégé agreement.
- ACOs will coordinate mentor and protégé reviews and establish a schedule of when performance reviews of each Mentor-Protégé report will be completed and submitted. CAOs will submit their schedules to the District point of contact for Mentor-Protégé Agreements who will consolidate and forward a District-wide schedule to DCMC-OC by September 30, 1999. Consolidate mentor-protégé performance reviews with other oversight activities to maximize field resources. When establishing the review schedules, assess the overall "health" of each agreement utilizing the March 31, 1999 semi-annual report, (see DoD Mentor Protege Agreement Semi-Annual Report format enclosed in attachment, as well as other relevant data. If it is determined that there are problems, issues, etc. with the relationship, schedule your review of the agreement as early as practicable. To facilitate the review process and avoid any undue delays, the ACOs should contact the mentors and advise them of the tentative review schedules for both mentors and the protégés. At this time, the ACO should also request a copy of each mentor-protégé agreement including the mentor's development assistance plan (if one has not previously been provided) to assist in the review process.

- The ACO at the mentor site is leader of the team for completing and consolidating reviews of both mentor and corresponding protégé locations. They will assure that the reporting process runs smoothly, that the final report is comprehensive and that it meets the goals of the performance review. The ACO will see that the mentor's semi-annual report is obtained along with the protégé's concurrence/rebuttal.
- OSD SADBUD has requested that DCMC strengthen its financial review of reimbursable agreements. We consider this area to be a critical aspect of the review process. Therefore, ACOs/Price Cost Analysts will utilize the Defense Contract Audit Agency (DCAA), as necessary, to verify the reimbursable agreement costs reported by the mentor on the semi-annual reports, to the mentors' public vouchers and supporting cost records. The DCAA assist audits should be included in the completed package. In addition, DCAA should be requested to identify any other financial/accounting issues affecting the mentor-protégé program.
- Verification of mentor-protégé program costs is dependent on their visibility on the public vouchers and/or in the mentor's cost accounting records. DFARS 219.71 strongly encourages either an advance agreement or written identification by the mentor firms of the accounting treatment of such costs prior to incurring any costs. The OSD SADBUD plans to take steps to increase compliance with the above requirements as part of the approval process of future agreements. ACOs, in cooperation with DCAA, will pursue advance agreements with mentor firms for future agreements, as necessary, where DCMC has been delegated administrative cognizance. Where DCMC does not have administrative cognizance, a recommendation may be made to the cognizant Contracting Officer to establish an advance agreement with the mentor firm. At the very least a written statement on the accounting treatment for all active agreements should be requested from the mentor firm to document costs incurred.
- The cognizant Small Business Specialist's review for each protégé will be limited to the reporting of progress made by the protégé during the term covered by the mentor-protégé agreement. Also, feedback information from the protégé's on how the agreement is proceeding should be solicited and included in the report. For example, if the protégé reports that no benefits were obtained from the agreement and the mentor reports incurring \$300,000, then this inconsistency should be highlighted in the report. The results of the cognizant Small Business Specialist's review of the protégé shall be provided to the DCAA when requesting audit assistance. (See DFARS Appendix I-111 for reporting and program review policies and procedures, <http://www.disa.mil/mentor/appi.htm>.)
- The ACO or their representative will conduct an "exit conference" at the conclusion of their review as requested in OSD SADBUD's memorandum. The details of the exit conference should be included in the final report. All review packages will adhere to the format and content outlined in DCMC Performance Review, Format and Content of Review Packages, which is enclosed in attachment 3. Note that the format requires completion of an Annual DCMC Review Form for DoD Mentor-Protégé Agreements, attachment 4. The cognizant mentor Small Business Specialist will normally complete this form.

- Finally, all reviews must be completed by June 30, 2000. Mentors ACO's are requested to forward each review package as soon as it is completed. Please note that one copy of the review, for each reimbursable agreement, is to be forwarded to the cognizant Service/Defense Agency Office of Small and Disadvantaged Business Utilization.
- Performance Labor Accounting System Code 093, Subcontracting Plans and Program Code HQ002, Non-Program (until a Mentor-Protege program code is developed for recording time expended on this program).

Points of Contact for Further Information

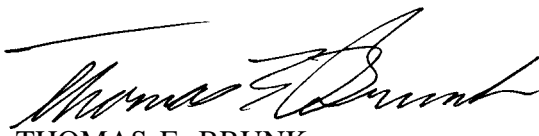
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Attachments